

**AGREEMENT TO REMOVE THE EMF BUILDING  
AND  
REMEDiate THE EMF SITE**

This Agreement to Remove the EMF Building and Remediate the EMF Site ("this Agreement") is made this 29<sup>th</sup> day of April 1996 by and between King County, a political subdivision of the State of Washington ("the County"), and The Boeing Company, a Delaware corporation ("Boeing").

**RECITALS**

- A. In addition to other leases, there is presently in effect a lease ("the Basic Lease") dated September 14, 1955, from the County to Boeing of certain property located on or in the vicinity of the King County International Airport, also known as Boeing Field ("the Airport"). The Basic Lease is for a period seventy-five (75) years, is recorded in Volume 151, page 187 of Leases in the records of the Auditor of King County, Washington, and has been the subject of numerous amendments.
- B. A portion of the premises covered by the Basic Lease was previously used by Boeing for an Electronics Manufacturing Facility, is referred to hereafter as "the EMF site", and is more particularly described in Exhibit A. Boeing has not actively used the EMF Site for several years.
- C. There is currently located on the EMF Site a building referred to as "the EMF Building", title to which is in Boeing. The EMF Building is surplus to Boeing and is not actively used by Boeing except for storage.
- D. According to the terms of Section 10 of the Basic Lease, Boeing is not obligated to remove the EMF Building or any other buildings, structures or installations on the EMF Site at any time either during the lease period or at the termination of the lease.
- E. Boeing desires to terminate its leasehold interest in the EMF Site and to return the EMF Site to the County.
- F. King County has determined that it is in the public interest for the EMF Building and any other buildings, structures or installations on or under the EMF Site to be removed, for any necessary environmental cleanup of the EMF Site to be accomplished, and for the EMF Site to be returned to productive use.
- G. Termination of Boeing's leasehold interest in the EMF Site will decrease the total area covered by the Basic Lease by 249,349 square feet.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises contained herein, King County and Boeing agree as follows:

1. At its sole cost, Boeing will remove the EMF Building (including the building slab) and all underground storage tanks, piping and appurtenant equipment. Boeing will use reasonable, good faith efforts and diligence to complete this task in a timely fashion. Such completion is currently targeted for March 1997. The Airport will work with the County's Department of Development and Environmental Services (DDES) to expedite the required permit process within the limits of existing policies and guidelines.

2. At its sole cost, Boeing will remediate potential soil and groundwater contamination at the EMF Site pursuant to the guidelines of the Washington Department of Ecology ("WDOE") Independent Remedial Action Program ("IRAP") and will restore the EMF Site to the condition required by paragraph 4 of this Agreement. Boeing will also pay any administrative costs or other fees charged by WDOE in connection with the Independent Remedial Action Program. Boeing will use reasonable good faith efforts and diligence to complete this task in a timely fashion. Such completion is currently targeted for February 1997.

3. At its sole cost, Boeing will backfill the EMF Site using appropriate methods and materials to support future ramp paving, and will install appropriate drainage facilities and pave the EMF Site surface with a temporary asphalt/concrete vehicular surface pavement to meet existing grade, assuring that no ponding will occur. For purposes of this Agreement, to "install appropriate drainage facilities" means to make cuts in the asphalt/concrete surface to allow water to enter existing surface water downspouts and to cover such cuts with appropriate drain covers. Boeing will use reasonable good faith efforts and diligence to complete this task in a timely fashion. Such completion is currently targeted for April 1997.

4. Boeing has drafted at its own expense and will implement at its own expense a definitive plan detailing the specifics for the accomplishment of the tasks described in Sections 1 through 3 above ("the Environmental Restoration Plan"). The final draft of the Environmental Restoration Plan is subject to King County's review and the written approval of WDOE, if such approval is required by WDOE, prior to Boeing commencing any of the tasks described in Sections 2 and 3 above. Although the County reserves the right to review the Environmental Restoration Plan, the County assumes no responsibility for the Environmental Restoration Plan or its compliance with federal, state and/or local laws and regulations. A copy of the January 2, 1996 draft of the Environmental Restoration Plan is attached as Exhibit B to this Agreement.

Boeing's restoration obligation shall be deemed to be satisfied upon the occurrence of any of the following conditions:

(1) WDOE shall have issued a "no further action" letter to Boeing and the County with respect to the contaminants which are the subject of the Environmental Restoration Plan; or

(2) WDOE shall have issued a "no further action" letter to Boeing and the County with respect to the contaminants which are the subject of the Environmental Restoration Plan, which letter contains provisions for institutional controls including restrictive covenants (per WAC 173-340-440(5)) recorded with the King County Register of Deeds; or

(3) WDOE shall have issued a WDOE Interim Status letter (also known as an "in-progress" letter) to Boeing and the County with respect to the contaminants which are the subject of the Environmental Restoration Plan, indicating that the remedy adopted for the site is appropriate, but requiring on-going monitoring; or

(4) WDOE shall have issued to Boeing and the County another IRAP notification, not otherwise specified, with respect to the contaminants which are the subject of the Environmental Restoration Plan, which notification is acceptable to Boeing and the County.

If WDOE issues a "no further action" letter of the kind referred to in (2), above, the County agrees to execute and record the required documentation. If WDOE issues an "in-progress" letter of the kind referred to in (3), above, Boeing shall conduct the necessary monitoring at Boeing's expense and the County shall provide the necessary authorizations to permit entry by Boeing, its personnel, and its contractors to conduct such monitoring.

Boeing will use reasonable good faith efforts and diligence to complete this task in a timely fashion. Such completion is currently targeted for February 1997.

5. King County will pay Boeing the amount determined pursuant to paragraph 5.A upon satisfaction of the terms and conditions set out in paragraphs 5.B through 5.D.

A. The amount to be paid by the County to Boeing shall be equal to (a) One Million Eight Hundred Thousand Dollars (\$1,800,000) (the "Principal Amount") plus (b) an amount equivalent to the County's net yield on \$900,000 as held in the King County Investment Pool for the period beginning on the date of this Agreement and ending one day prior to delivery to Boeing of the Principal Amount. The net yield on the King County Investment Pool is the gross yield on the King County Investment Pool less 15 basis points. The County's Finance Division will forward to Boeing on a monthly basis the yield and amount generated for such month, and such report will be certified by Lee Dedrick (Finance Manager), Scott Matheson (Cash Management, Bonds and Investments Supervisor), Lesley Fox (Investment Officer), or any other King County employee having the authority to make such certification. It is understood that the amount payable to Boeing hereunder shall be paid in two installments. The first installment shall be payable upon satisfaction of the conditions set out in paragraphs 5.B, 5.C, and 5.D and shall include the Principal Amount together with the net yield on \$900,000 (as described above) accrued from the date

of this Agreement to the last day of the month preceding the month in which such first installment is paid. The second installment shall be payable on the fifteenth day of the month following the month in which the first installment is paid and shall equal the net yield on \$900,000 (as described above) accrued from the last day of the month preceding the month in which the first installment was paid to the day on which the first installment was paid.

B. Boeing will complete all of the tasks to be performed by Boeing described in paragraphs 1 through 4 above.

C. One of the conditions referred to in clauses (1), (2), (3) or (4) in paragraph 4 shall have occurred.

D. An instrument amending the Basic Lease, titled EMF Amendment, shall be executed by the County and Boeing. A copy of said amendment (subject to insertion of appropriate figures) is attached hereto as Exhibit C. The County agrees to execute, acknowledge, deliver, and record such EMF Amendment in such form upon the satisfaction of the conditions set out in paragraphs 5.B and 5.C.

6. The EMF Amendment will decrease the total area leased to Boeing under the Basic Lease by 249,349 square feet.

At the time the EMF Amendment is executed, it will be designated with the correct ordinal number of such amendment. At the time of execution of the EMF Amendment, the parties shall insert therein a Reference Rate List showing the number of square feet subject to the Basic Lease after such amendment takes effect, the applicable rental rate per square foot per year, and the annual rent after such amendment takes effect.

7. The following exhibits are attached hereto:

Exhibit No.	Description
A	Legal Description of EMF Site
B	Draft Environmental Restoration Plan
C	<u>EMF Amendment</u> (This amendment is subject to insertion of appropriate figures)

#### 8. WAIVER AND AMENDMENTS

Waiver of any breach of any term or condition of this Agreement shall not be deemed a waiver of any prior or subsequent breach. This Agreement shall not be modified or amended except by an instrument, in writing, signed by the parties hereto.

9. NO THIRD PARTY RIGHTS

Nothing contained herein is intended to, nor shall be construed to, create any rights in any third party or to form the basis for any liability on the part of the County or Boeing or their officials, employees, agents or representatives, to any third party.

10. ENTIRE AGREEMENT

The parties agree that this Agreement is the complete expression of the terms hereof and any representations or understandings, whether oral or written, not incorporated herein are excluded.

EXECUTED this 29<sup>TH</sup> of April, 1996.

KING COUNTY

THE BOEING COMPANY

By: David Priggs  
David Priggs  
Title: Manager, Property Services  
for Gary Locke  
Date: April 29, 1996

By: Myrille A. Schultz  
M. A. Schultz  
Title: BDSG Director of Facilities  
Date: APRIL 16, 1996

Approved by Custodial Agency:

By: Calvin Hoggard  
Calvin Hoggard  
Title: Airport Manager

Date: April 29, 1996  
Approved as to Form:

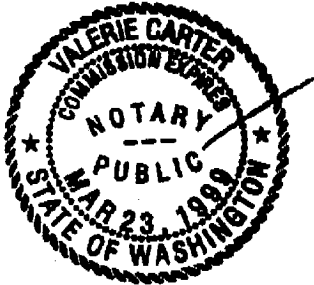
By: D. C. McMahon  
Dennis C. McMahon  
Title: Senior Deputy  
Prosecuting Attorney  
Date: 4/30/96

## ACKNOWLEDGMENT

State of Washington    )  
                              )    ss.  
County of King         )

I certify that I know or have satisfactory evidence that M. A. Schultz is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Boeing Defense and Space Group Director of Facilities of The Boeing Company to be the free and voluntary act and deed of such party for the uses and purposes mentioned in the instrument.

Dated: APRIL 16, 1996



Valerie Carter  
Notary public in and for the State of  
Washington. My appointment expires  
March 23, 1999

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this 29<sup>th</sup> day of April, 1996, before me the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared David Preusschaf, to me known to be the King County Manager of Property Services and who executed the foregoing instrument and acknowledged to me that said person signed the same pursuant to a delegation of authority from King County Executive Gary Locke as the free and voluntary act and deed of King County, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year first above written.

Mark R. Phillips  
Printed Name: MARK R. Phillips  
NOTARY PUBLIC in and for the State of  
Washington, residing at Belleve  
My Commission Expires: 6/15/96

**EXHIBIT A**  
**Legal Description of EMF Site**

28877.225/CIB/040996

KCSlip4 37300

SEA403845

EXHIBIT A  
REVISED BOEING COMPANY LEASE

AREA NO. 6

An irregular shaped tract of land on the East side of King County International Airport (Boeing Field), in the South half of Section 28, Township 24 North, Range 4 East, Willamette Meridian, described as follows:

"Beginning at a concrete monument designated as Monument "B" and having U.S. Coast and Geodetic Survey coordinate values of x - 1,635,859.37, y = 199,205.64; thence South 86°15'40" East 1,270.94 feet; thence South 37°38'33" East 110.00 feet; thence North 52°21'44" East 168.89 feet to the TRUE POINT OF BEGINNING of the tract herein described; thence North 52°21'44" East 147.31 feet; thence South 37°38'16" East 11.70 feet; thence North 52°21'44" East 62.40 feet; thence South 37°38'03" East 744.77 feet; thence South 28°41'18" East 53.00 feet; thence South 27°15'43" East 72.18 feet; thence South 52°21'44" West 41.00 feet; thence North 37°38'16" West 135.00 feet; thence South 52°21'44" West 314.5 feet; thence North 37°38'33" West 77.00 feet; thence North 7°21'27" East 22.63 feet; thence North 37°38'33" West 269.00 feet; thence North 7°28'11" East 52.58 feet; thence North 37°31'49" West 94.95 feet; thence North 7°28'11" East 162.48 feet; thence North 37°31'49" West 127.91 feet to the TRUE POINT OF BEGINNING, said tract of land containing an area of 249.349 feet, more or less."

November 29, 1995

Introduced By:

KENT PULLEN  
RON SIMS

Proposed No.:

**96 - 025**

ORDINANCE NO. **12120**

AN ORDINANCE appropriating \$1,800,000 to the Electronic Manufacturing Facility (EMF) Site Development, CIP Project Number 001326 for the purpose of demolishing an existing structure on this site and to purchase remaining leasehold interests, and amending Ordinance 11578, Section 117, Attachment 1B, as amended.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

**SECTION 1.** There is hereby approved and adopted an appropriation of \$1,800,000 to Fund 338, Airport Construction, from the unappropriated fund balance for the purpose of paying the Boeing Company, the existing tenant of the Electronic Manufacturing Facility (EMF), to demolish the existing building on this site and return control of this site to the County. Demolition, as well as any remedial action required by the Washington State Department of Ecology (WDOE) to address contamination at this site, will be the responsibility of the Boeing Company and shall be performed at Boeing's sole cost and expense. In consideration for this work and for release of the Boeing Company's leasehold interest in this property, the County will agree to deposit into an interest bearing escrow account fifty percent (50%) of the aforementioned sum (\$900,000) upon the signing of a definitive agreement regarding transfer of this property. The proceeds of the aforementioned escrow account plus the remaining balance of \$900,000 would be payable upon Boeing's demolition and clean-up and the conveyance of its interest in the EMF site to King County. The County would also agree to make a diligent effort to expedite the demolition permit review process and would allow Boeing continued access to this site for the purpose of maintaining and monitoring any groundwater wells that may be required by WDOE.

12120

Fund	Capital Fund	Amount
338	Airport Construction	\$1,800,000

SECTION 3. Ordinance 11578, Section 117, Attachment 1B, as amended, is hereby amended by adding thereto and inserting therein the following:

Fund	Project	Project Description	Amount
338	001326	EMF Site Development	\$1,800,000

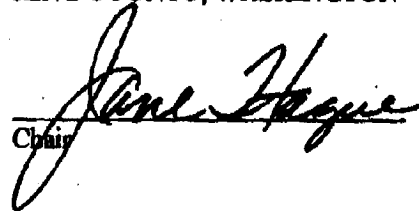
SECTION 4. The attached CIP Resource Page is hereby adopted.

INTRODUCED AND READ for the first time this 11<sup>th</sup> day of

December, 1995

PASSED by a vote of 8 to 0 on this 22<sup>nd</sup> day of January, 1996.

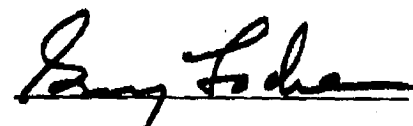
KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON

  
Chair

ATTEST:

  
Clerk of the Council

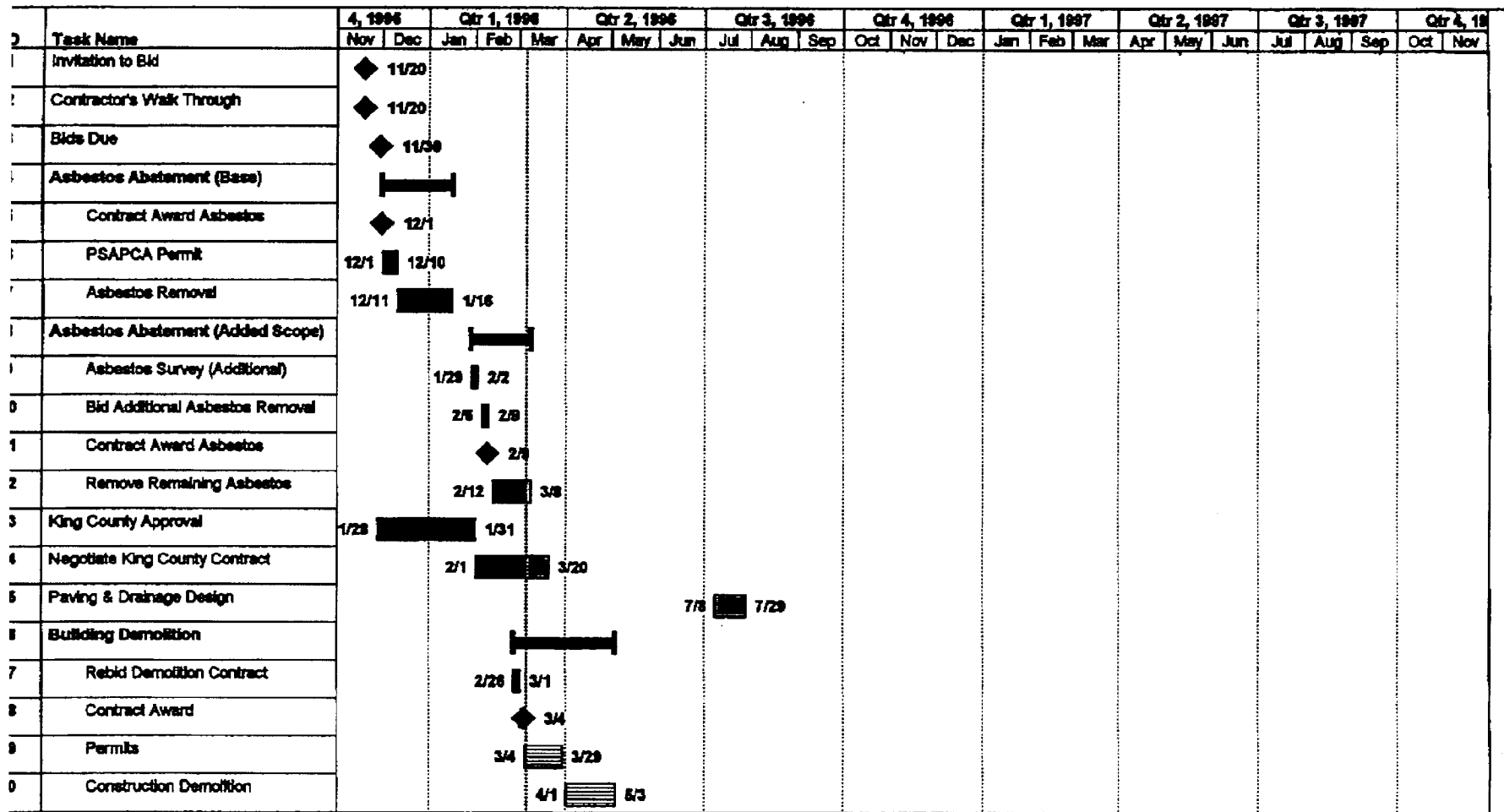
APPROVED this 29<sup>th</sup> day of January, 1996

  
County Executive

King

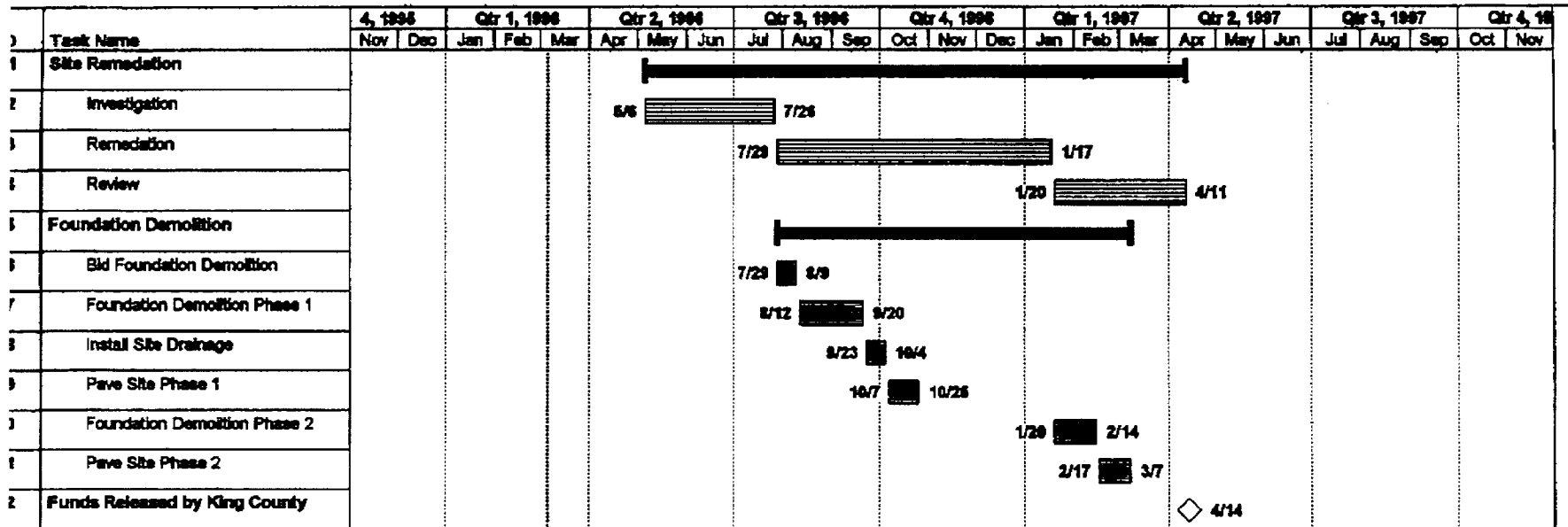
Attachments: Resource Page










# Building 3-962 Demolition & Remediation



Project: 3-962 Building Date: 3/5/96 Project Administrator: Mike Feeney	Task	■	Milestone	◆	Roll Up Critical Task	■
	Critical Task	■	Summary	■	Roll Up Milestone	◆
	Progress	■	Roll Up Task	■	Roll Up Progress	■

# Building 3-002 Demolition & Remediation



Project: 3-002 Building Date: 3/5/96 Project Administrator: Mike Feeney	Task		Milestone		Rolled Up Critical Task	
	Critical Task		Summary		Rolled Up Milestone	
	Progress		Rolled Up Task		Rolled Up Progress	

## CONTRACT SCHEDULE FOR DEMOLITION OF E.M.F. BUILDING

Name	Duration	Jun 25	Jul 2	Jul 9	Jul 16	Jul 23	Jul 30	Aug 6	Aug 13	Aug 20	Aug 27	Sep 3	Sep 10	Sep 17	Sep 24	Oct 1	Oct 8	Oct 15	Oct 22	Oct 29
Drawings and Specifications	4w																			
WMB Analysis	7d																			
Risk Management	7d																			
Estt Bids/Plans	14d																			
Advertis Bid	3w																			
Open Bids	0d																			
Bid Award / Notice of Selection	5d																			
Contractor Response	14d																			
Contract Exec. & Signature Routl	5w																			
Start of Demolition	0d																			

Post-It Fax Note	7671	Date	6/27/95	Id	1d
To	CAL HOOPER	From	KISSAT RANMAR		
On/Dept		Co			
Phone #		Phone #	246-0976		
Fax #	6-0907-0190	Fax #			

JUNE 28, 1995

6-29-95

## AMENDMENT TO AND CONSENT TO ASSIGNMENT OF LEASE AGREEMENT

This 24th Amendment to, and Consent to Assignment of Lease ("this Amendment") is made this \_\_\_\_ day of \_\_\_\_\_, 1995, by and between King County, a political subdivision of the State of Washington ("the County" or "Lessor"), the Boeing Company, Lessee and Assignor ("Boeing"), and \_\_\_\_\_ a Washington Corporation ("Assignee").

### RECITALS

- A. In addition to other leases, there is presently in effect a lease dated September 14, 1955, from the County to Boeing of certain property located on or in the vicinity of the King County International Airport (Boeing Field). Said lease is for a period of seventy five (75) years, is recorded in Volume 151, page 187 of Leases in the records of the Auditor of King County, Washington, and has been the subject of 23 previous amendments. As amended, said lease now covers property totaling 5,085,609 square feet. Said lease, as amended by 23 previous amendments, referred to hereafter as "the Basic Lease".
- B. A portion of the premises covered by the Basic Lease was previously used by Boeing for an Electronics Manufacturing Facility, is referred to hereafter as "the EMF Site", and is more particularly described in Exhibit A. Boeing has not actively used the EMF site for several years. Boeing has not existing subleases with third parties covering the EMF site.
- C. Boeing desires to assign its leasehold interest in the EMF site to Assignee. The Basic Lease provides that it shall not be assigned by Boeing unless King County unless King County first consents thereto.
- D. As consideration for King County's consent to the assignment of Boeing's leasehold interest in the EMF site to Assignee, Boeing and Assignee agree to enter into the following agreement which provides for an amendment to the Basic Lease and other conditions as set forth hereafter.

### AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein, King County, Boeing and Assignee agree as follows:

#### 1. TERM.

The remaining lease term expires on September 14, 2030.

- A. If King County is unable to deliver possession of the premises by the date

\_\_\_\_\_ (\$ \_\_\_\_\_) DOLLARS payable in advance on or before the first (1st) day of each and every calendar month of the lease term. Lessee shall also pay a Leasehold Excise Tax of

\_\_\_\_\_ (\$ \_\_\_\_\_) DOLLARS per \_\_\_\_\_. The rent is adjustable as set forth in the King County General Terms and Conditions. All rents and tax shall be made payable to the KING COUNTY INTERNATIONAL AIRPORT and are to be received in the office of the:

King County International Airport  
7233 Perimeter Road  
Post Office Box 80245  
Seattle, WA 98108

Said rental is exclusive of any other sale, franchise, business or occupation, or other tax based on rents. Should any such taxes apply during the life of this lease the rent shall be increased by such amount.

3. SECURITY DEPOSIT. At the time of the signing of this lease, the Lessee, shall pay the first (1st) month's rent and leasehold tax. In addition, the Lessee shall deposit with King County the sum of \_\_\_\_\_ (\$ \_\_\_\_\_) DOLLARS as a security deposit for the payment of rent and tax. The security deposit is the only sum to be credited toward payment of the last month's rent upon Lessee's termination of the lease. The return of this deposit, or any portion of it, shall be conditioned on the performance of all the Lessee's duties. Within sixty (60) days after termination of the tenancy and vacation of the premises King County will return any sum due the Lessee from this deposit retained by King County. Further more, the Lessee understands and agrees that all rents, late charges and utility bills owing, unless paid by the Lessee, may be deducted from the deposit at the time of Lessee's vacation of the premises if any amount remains in that fund after subtraction of damage. The deposits need not be held in any special account and no interest will be paid thereon.

4. USE. Lessee shall use said premises for the following purposes and no others without prior written consent of King County:

\_\_\_\_\_

\_\_\_\_\_

5. LESSEE IMPROVEMENTS.

- A. Lessee shall submit to King County detailed plans and specifications for the following improvements within sixty (60) days after execution of this lease. Such improvements shall consist of:

Lessee will begin construction of the improvements no later than \_\_\_\_\_  
days after approval of the plans and

shall be named as obligee. The surety or sureties on the bond shall bind themselves, their heirs, executors, administrators, successors and assigns along jointly and severally with Lessee and Lessee's contractor, to King County, a political subdivision of the State of Washington for payment on the bond. The aforesaid bond shall remain in effect until the principal(s) has promptly and faithfully performed all obligations and duties contained in this lease referring to the construction of improvements. The bond shall be available to claimants for labor and materials in the event principal(s) fail to pay for such labor and materials in addition to the payment bond, however, such claims shall be subject and junior damage claims of the obligations and duties contained in this Lease regarding construction of improvements.

A payment bond, pursuant to R.C.W. 39.08, shall be executed by Lessee and/or Lessee's contractor to assure payment for labor, materials and supplies required for performance of the lease obligations. This bond is in addition to the performance bond mentioned above.

In any action on the bond for the recovery of any claim or defect, each party shall pay its own costs and attorney's fees.

Surety or sureties on the payment and performance bonds shall waive any notice requirements for any modifications to this lease consented to by the Lessor. Lessor shall notify the surety or sureties in writing of any defects in performance. The surety's or sureties' right of subrogation to the position of Lessee shall be subject to the written consent of Lessor, though not unreasonably withheld.

6. GENERAL TERMS AND CONDITIONS. As to the EMF site only, King County International Airport General Terms and Conditions supersedes all existing language in the Basic Lease.

7. ENTIRE AGREEMENT - AMENDMENTS. This printed lease together with the attached Terms and Conditions and any and all exhibits expressly incorporated herein by reference and attached hereto shall constitute the whole agreement between the parties. There are no terms, obligations, covenants or conditions other than those contained herein. No modification or amendment of this lease shall be valid or effective unless evidence by an agreement in writing signed by both parties.

8. NOTICES. Required notices except legal notices shall be given in writing to the following respective address:

To King County:                   KING COUNTY INTERNATIONAL AIRPORT  
7233 Perimeter Road  
Post Office Box 80245  
Seattle, WA 98108

To Lessee:

10. OPERATING AGREEMENT. Assignee will execute an Operating Agreement in a form substantially as the attached Exhibit C within 30 days of the execution of this Assignment of Lease.

11. OPTION AREA. Assignee will have the option of leasing the south end of the arrivals building which is adjacent to the EMF Site under a separate lease agreement with King County. The option covers property described as "Optional Lease Area Adjacent to Area No. 6 of Boeing 75 Year Lease" attached hereto as Exhibit \_\_\_\_\_.

Subject to and in accordance with the foregoing, King County does hereby consent to Boeing's assignment of its leasehold interest in the EMF Site to Assignee.

LESSEE:

BY \_\_\_\_\_

TITLE \_\_\_\_\_

BY \_\_\_\_\_

TITLE \_\_\_\_\_

ASSIGNEE

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

LESSOR:

KING COUNTY WASHINGTON

BY \_\_\_\_\_

TITLE County Executive

APPROVED AS TO FORM:

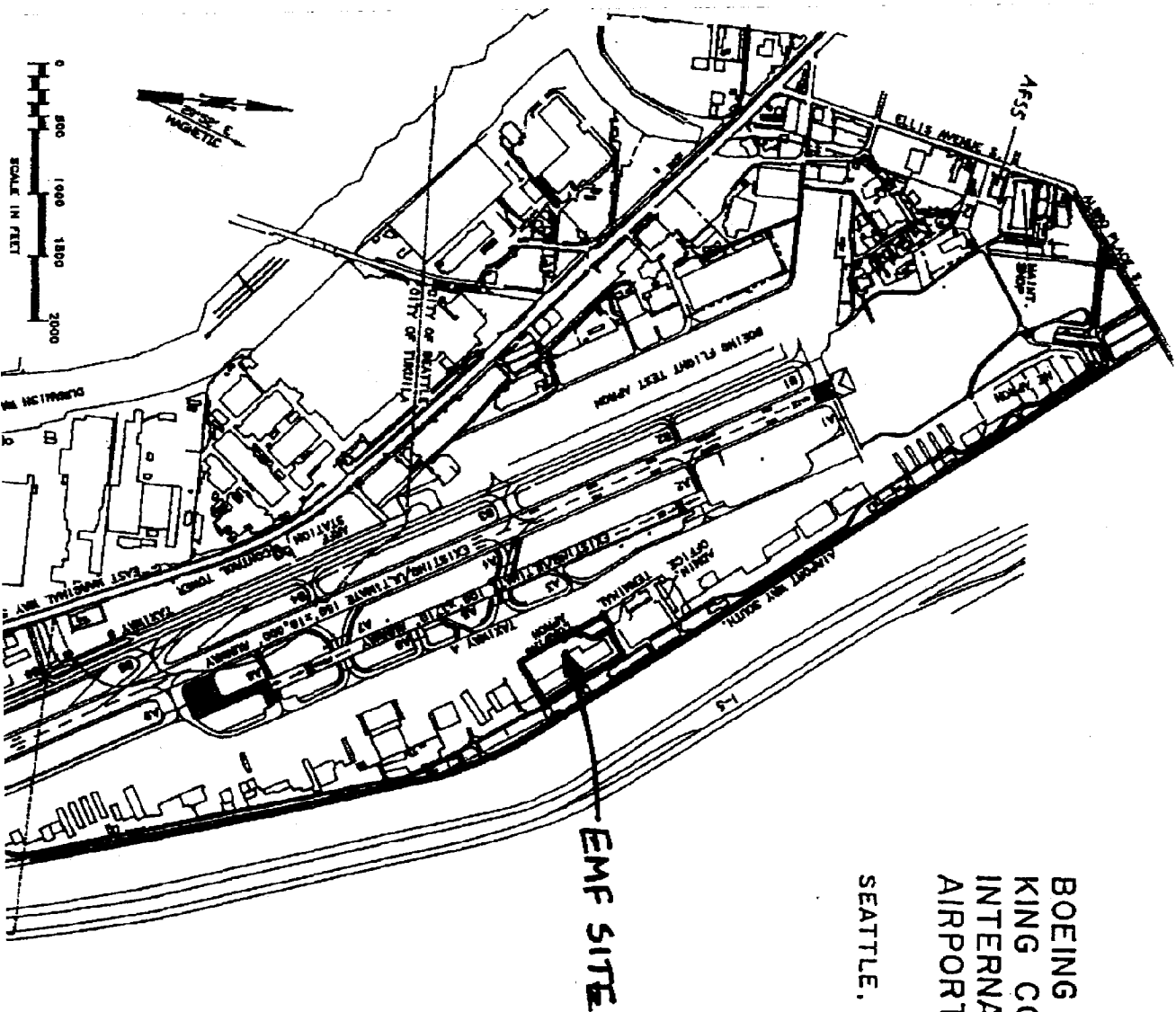
BY \_\_\_\_\_

TITLE Deputy Prosecuting Attorney

APPROVED:

BY \_\_\_\_\_

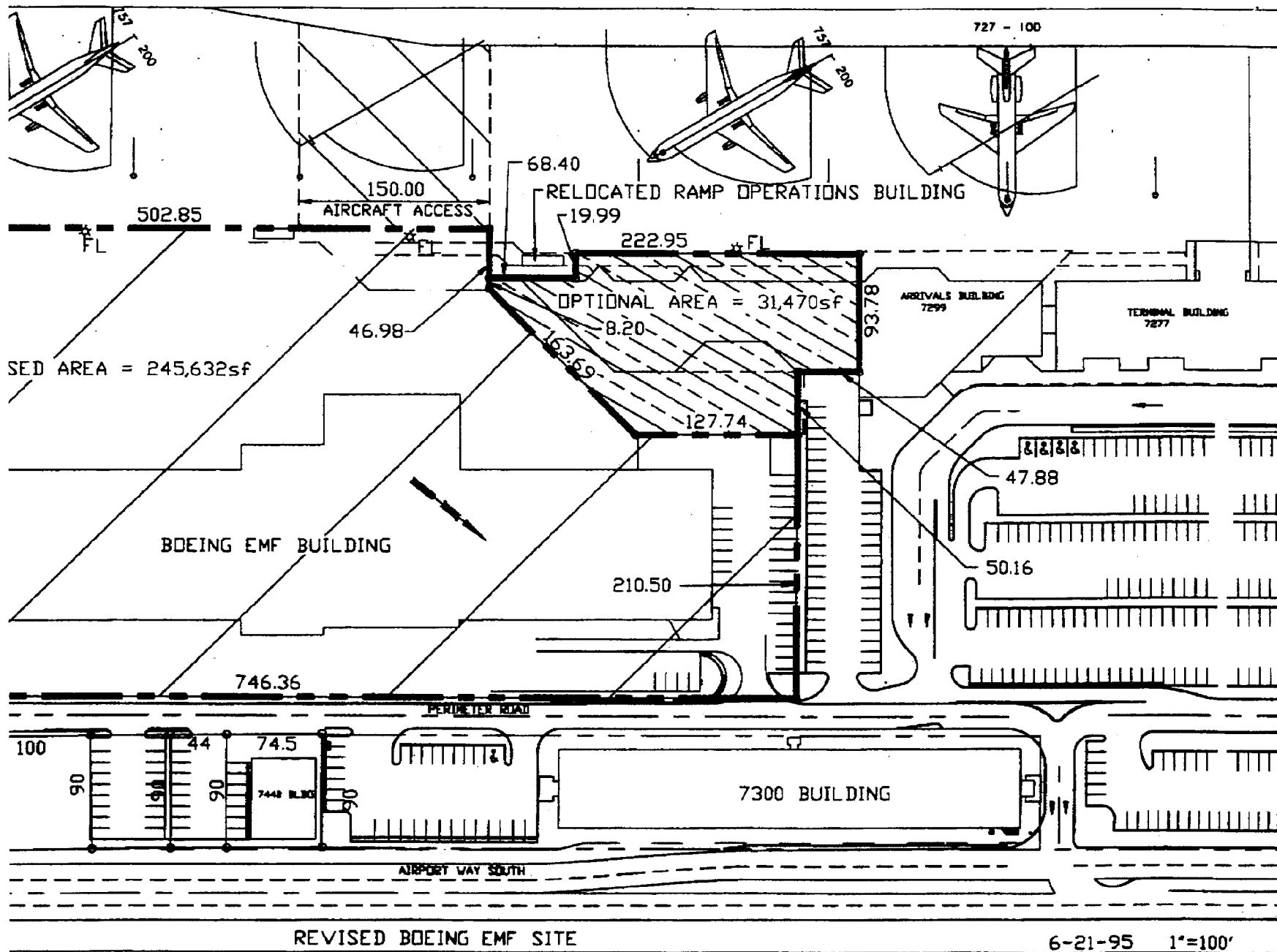
TITLE Airport Manager



BOEING FIELD/  
KING COUNTY  
INTERNATIONAL  
AIRPORT

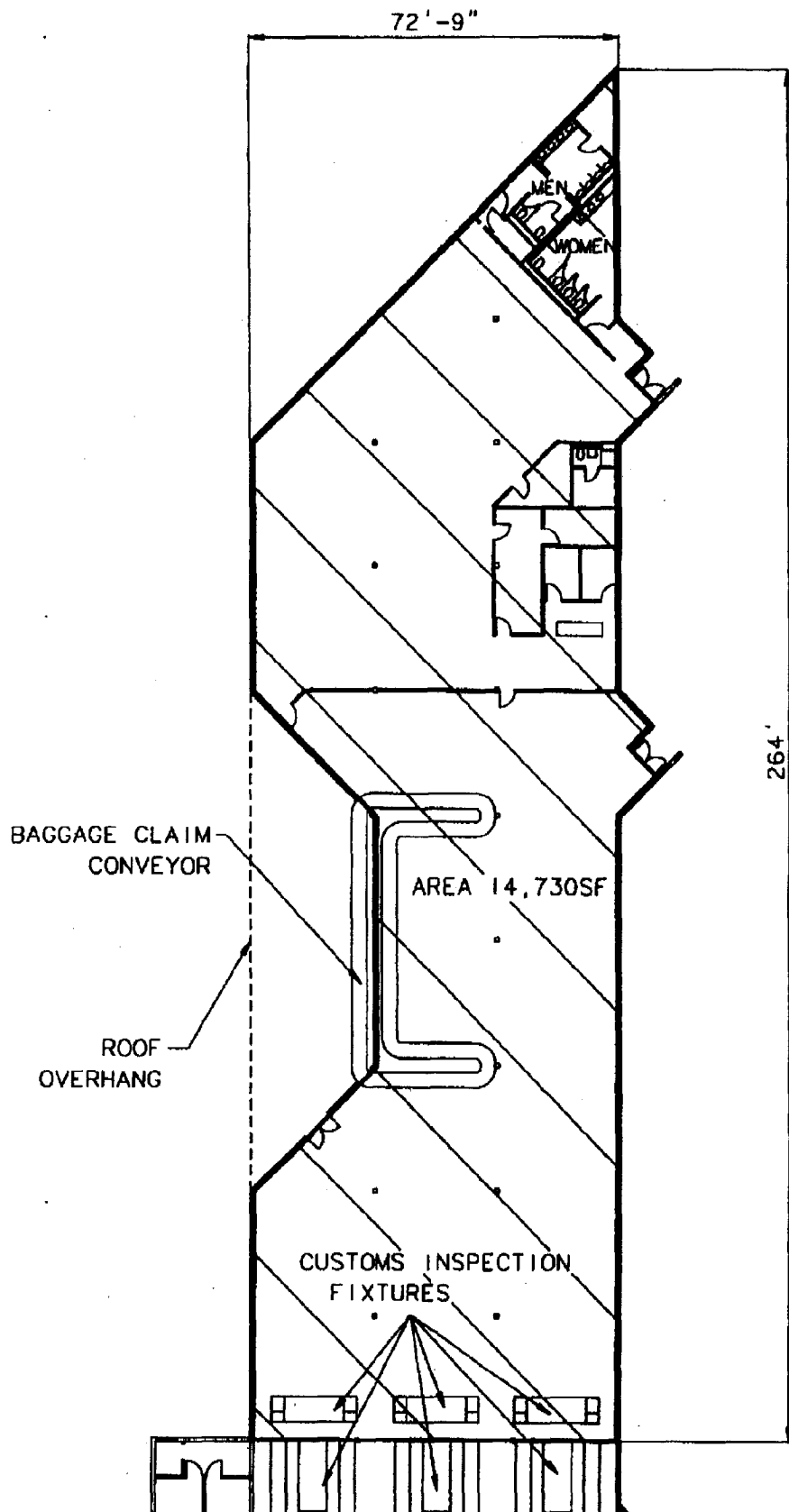
SEATTLE, WASHINGTON

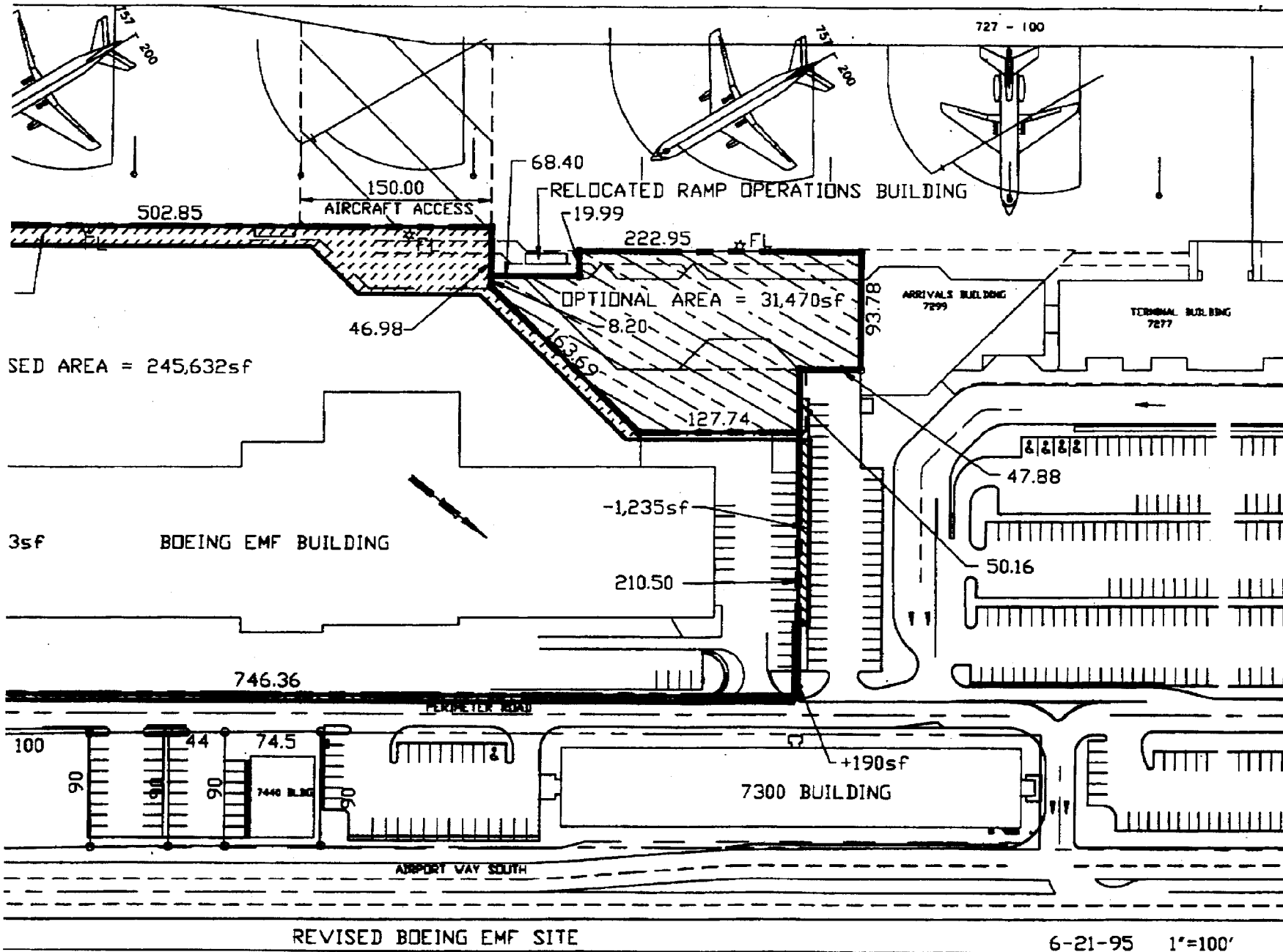
EMF SITE



KCSlip4 37312

SEA403857





KCSlip4 37314

SEA403859